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TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: September 2, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division for the Regular Session of September 2, 2014. All items on this list are included on the City Council Agenda for September 2, 2014 to be referred to the appropriate Standing Committee for review and report back to the City Council.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

Attachment

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on September 2, 2014.

Department	No. of Contracts or Purchase Orders	Detroit-Based Business Bids	Change, Extension Increases, Renewals	Located in Detroit
Elections	1	0	0	0
Fire 1 Quality of Life funded purchase	1	0	0	1
General Services	1	0	1 Extension/Amend.	0
Municipal Parking	2	0	2 Renewals	1
Plan. & Developmt.	5	0	0	5
Public Lighting 1 Contract to Generate Revenue	1	0	0	0
Public Works	1	0	0	1
Totals 1 Emergency Procurement	12	0 Detroit-Based Business Bids	1 Extension/Amend. 2 Renewals	8

The Honorable City Council
Contracts and Purchase Orders, Statistics
Items Submitted for Referral September 2, 2014

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This list represents expenditures totaling \$5,657,682.42¹
One (1) contract is for fees to generate revenue estimated at \$191,087.75

Included in the total costs are the following:

City General Fund	\$ 2,635,551.32
Grants Fund	\$ 535,032.10
Quality of Life Fund	\$ 2,061,473.00
Parking Operating Fund	\$ 88,426.00
Street Funds	\$ 337,200.00

¹ This list includes: One-time purchases; Extensions to existing contracts of 6 months to 1 year; New contracts for terms from 18 months to 2 years; 1 contract for fees to generate revenue

TO: The Honorable City Council

FROM: David Whitaker, Director
Legislative Policy Division Staff

DATE: September 2, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT
THE FORMAL SESSION OF SEPTEMBER 2, 2014**

ELECTIONS

2895797 100% City Funding – To Provide Printing Services of Various Forms for Election Activities –Contractor: Nationwide Envelope Specialist Inc., Location: 21260 W. Eight Mile Road, Southfield, MI 48075 – Contract Amount: \$29,923.56

~ This contract is for a One Time Purchase

Costs budgeted to General Fund, Acct. 1000-710041-000037-617900-00181-0-A5060, Appropriation for Conduct of Elections includes available funding of \$6,689,701 as of August 28, 2014.

According to information provided in the Purchasing File, this one-time purchase was not bid, due to upcoming elections and considered urgent. The contract with this vendor had expired.

14 Items listed, to be purchased, include: Applications to Vote, "I Voted" stickers, Poll Book Inspector, Application for Absentee Voter ballot, White card stock, Optical scan statement of vote. Printed materials required for both the primary and general election.

The previous contract appears to be PO 2823846, with Nationwide Envelope, initially approved July 13, 2010, for a term of 2 years, for an estimated cost of \$85,511.58.

This contract was renewed 2 additional years, through May 31, 2014, for additional costs of \$61,225.16.

Contract checklist, received July 17, 2014, indicating purchase was essential for printed materials required for election.

Covenant of Equal Opportunity Affidavit signed 12-19-13;

TAXES: Good Through 8-9-15 and 12-30-14;

Hiring Policy Compliance Affidavit signed 12-19-13, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 12-19-13, indicating no records to disclose.

There is also a City-Wide contract, No. 2881769, with Nationwide Envelope Specialist, to provide envelopes, letterhead stationery, memo pads and business cards. This contract was approved Sept. 24, 2013, for a term of 3 years, for a cost of \$341,610.

FIRE

2895282 100% City Funding – To Provide Vehicles for Rapid Response and Fire Marshall Personnel –Contractor: Bob Maxey Ford, Location: 1833 E. Jefferson Avenue, Detroit, MI 48207 – Contract Amount: \$2,061,473.00

This contract is for a One Time Purchase

Costs budgeted to Quality of Life Fund, Acct. 3100-350071-0-644600-13824-0-0; Quality of Life Fund had available funds of \$116,500,000 as of July 31, 2014; the specific Cost Center for Fire, Partial Fleet Replacement did not have funds appropriated to that Cost Center as of July 31, 2014.

4 Bids received on Open Market for the purchase of the vehicles for the Fire Department.

This recommendation is for the Lowest Total bid received from Bob Maxey Ford. The purchase includes: 16 Taurus Interceptors for \$31,686 each; 10 F360 trucks, 4-wheel diesel, for \$58,184 each; and 21 SUV Expeditions for \$46,317 to be used as Rapid Response vehicles.

Second Bid received from Jorgensen Ford for \$2,092,225; Galenas Van Dyke Dodge for \$1,137,346 (No Bid on the SUV); and Jefferson Chevrolet bid only on the Truck for \$67,300 each.

Contract checklist, received July 29, 2014, this purchase is indicated to be essential and authorized by the Mayor's office.

Covenant of Equal Opportunity Affidavit signed 6-30-14;

TAXES: Good Through 1-10-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 6-30-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 6-30-14, indicating business established 2003, no records to disclose.

GENERAL SERVICES

2867153 89.7% City and 10.3% Street Funding – To Provide Vehicle Replacement Parts and Services – Contractor: Genuine Parts Co. (NAPA), Location: 2999 Circle 75 Parkway, Atlanta, GA 30339 – Contract Period: September 1, 2012 through February 28, 2015 – Increase Amount: \$2,600,000.00 – Contract Amount: \$13,388,848.00
Amendment #4, increase of funds, original amount \$10,788,848.00

Costs budgeted to 2 General Fund accounts as follows:

\$2,100,000 budgeted to Acct. 1000-470100-006004-617900-12153-0-A4510, Appropriation for Fleet Management includes available funding of \$12,722,410 as of August 28, 2014; and

\$500,000 to Acct. 1000-470110-006004-617900-13152-0-A4510, Appropriation for GSD-Street Maintenance Garage includes available funding of \$2,127,843 as of August 28, 2014.

This request is for Amendment No. 4 to extend the contract 6 months, through February 2015, and increase expenditures, for the extension, by \$2,600,000 to a total of \$13,388,848.

All other costs and services specified in the contract remain the same.

This contract was initially approved July 31, 2012 for a term of 1 year, through Aug. 2013, for a cost of \$2,100,000, to stock and maintain the Vehicle Parts Storeroom. Amendment 1, with an increase of \$2,138,848; and Amendment 2, with an increase of \$4,900,000 were both approved by the Emergency Manager. Amendment 3, for an extension of 1 year, through August 2014, and an increase of \$1,650,000 in costs to a total of \$10,788,848 was approved May 13, 2014.

Parts and services are required primarily for General Services, Fleet Management, Fire Dept., and Public Works, Street Management Division.

The City is billed at an 8% gross profit rate, for both NAPA products and Non-NAPA products; Tires and bulk fluids billed at a 5% gross profit rate.

Contract checklist, dated July 21, 2014, indicates this contract is essential for parts and services to maintain City vehicles.

Covenant of Equal Opportunity Affidavit signed 6-2-11;

TAXES: Good Through 7-9-15 and 12-30-14;

Hiring Policy Compliance Affidavit signed 6-15-12, Employment Application online;

Slavery Era Records Disclosure Affidavit signed 6-9-11, indicated business established 1928, no records to disclose.

This contract was preceded by Contract 2744255, with Genuine Parts (NAPA) approved in November 2007 for a term of 3 years, and extended for 3 additional years, through August 31, 2012, for a total cost of \$18,000,000 over the 6-year term.

MUNICIPAL PARKING

2848560 100% City Funding – To Provide Terrorism Insurance Coverage for Municipal Parking Department – Contractor: AON Risk Services Inc of Michigan, Location: 3000 Town Center, Suite 3000, Southfield, MI 48075 – Contract Period: August 1, 2014 through July 31, 2015 – Increase Amount: \$88,426.00 – Contract Amount: \$316,176.00

Contract Increase of funds, original amount \$227,750.00

Costs budgeted to Parking Operating Fund, Acct. 5102-340030-000145-626300-04108-0-A3570, Appropriation for Operations & Maintenance includes available funding of \$13,682,198 as of August 28, 2014.

This request is for the renewal of this Insurance Policy for a term of 1 year, for a cost of \$88,426; this represents an increase of approximately 3% from the cost for the past year at \$85,916. Policy includes terrorism coverage, flood and earthquake with a deductible of \$10,000. The total insured value remains the same, as the past year, at \$203,964,820 for Real Property, Personal property and Loss of Business income. The underwriter for this insurance also continues to be Fireman's Fund,

This Policy was initially approved Oct. 11, 2011, for a term of 1 year at a cost of \$67,217; for a total value of \$214,163,421. The first renewal, through July 2013 was approved for a cost of \$74,317 on a total insured value of \$194,475,777. The 2nd renewal, through July 2014, was approved for the cost of \$85,916 - an increase of 15.6% - the total insured value was increased by 4.9% to \$203,964,820.

According to AON,, changes in the City's financial condition were driving the increase in the rate. The loss history included a small value theft in 2010. The Dept. had responded to recommendations, including restoring sprinkler protection at Grand Circus and engaging a professional engineer to assess structural integrity at Joe Louis Arena garage. Fireman's Fund indicated plans to conduct Loss Control surveys at Joe Louis and Grand Circus Park garages and the office and maintenance facilities in 2014.

Contract checklist, received July 29, 2014, indicating this contract is essential to provide insurance coverage of City property.

Covenant of Equal Opportunity Affidavit signed 7-13-11;

TAXES: Good Through 4-13-15 and 12-30-14;

Hiring Policy Compliance Affidavit signed 7-18-12, Employment Application submitted complies; Slavery Era Records Disclosure Affidavit signed 7-13-11, indicating no records to disclose.

AON is also the insurance agent for the general City property insurance, for Hart Plaza, DIA, 36th Dist. Court, Historical Museum, Joe Louis Arena, Museum of African American History, and Public Safety Headquarters, No 2867591, extended Aug. 2013 through Aug. 7, 2014, for \$474,700; Underwriter is Travelers.

Municipal Parking Department - continued

2869882 100% City Funding – To Provide Booting and Towing Services – Contractor: Bobby's Towing Inc., Location: 10807 Lyndon St., Detroit, MI 48238 – Contract Period: December 1, 2014 through November 30, 2015 – Contract Amount: \$146,800.00

This Contract is for increase of time only

Costs budgeted to General Fund, Acct. 1000-340083-000144-617900-00102-0-A3570, Appropriation for Parking Violations Bureau includes available funding of \$3,712,486 as of August 28, 2014.

This request is for an extension of the contract, with Bobby's Towing, for the boot and tow program. This contract was 1 of 3 contracts approved to provide towing under this program. The contract was initially approved November 20, 2012, for a term of 1 year, through November 30, 2013, for a cost of \$100,000. The rate for towing was bid and approved at \$50 per tow.

The other 2 contracts were approved with Pick Up & Run Auto Recovery, PO 2869879 for 1 year at \$50,000; and Breakthrough Towing, PO 2869860, approved for 1 year at \$50,000 and a rate of \$45 per tow.

This contract with Bobby's Towing was extended for 1 year, through Nov. 2014, with an increase of \$46,800.

This 1 year extension does NOT include any additional funding to the contract, it remains at \$146,800; and a rate of \$50 per ton.

Vehicles are towed to the City Impound Lot at 6311 Caniff, or to the Eastern Market Garage if vehicles need to be stored inside.

Contract checklist, dated August 28, 2014, indicates this contract extension is essential to be able to tow authorized booted vehicles.

Covenant of Equal Opportunity Affidavit signed 7-30-14;

TAXES: Good Through 10-17-14 and 1-15-15;

Hiring Policy Compliance Affidavit signed 7-30-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 7-30-14, indicating no records to disclose.

Bobby's Towing also has a contract to tow vehicles under the Abandoned Vehicle program, PO 2892161, approved in July 2014, for a 3 year term through June 30, 2017, for a total cost of \$51,000. Under the Abandoned Vehicle program, vehicles are towed for a fee of \$125 per tow.

PLANNING AND DEVELOPMENT

2878361 100% Federal Funding – Facade Program – To Provide Improvements along Woodward Avenue between West Seven Mile Road and West Nevada Street – Contractor: Woodward Avenue Action Association, Location: 30947 Woodward Avenue, Suite 200, Royal Oak, MI 48073 – Contract Period: April 30, 2014 through October 30, 2015 – Contract Amount: \$50,000.00

Costs budgeted to Block Grant Fund, Acct. 2001-365539-0-651200-11507-0-0, Appropriation for Economic Development includes available funding of \$1,414,852 as of August 28, 2014.

Funding is from the 2010-2011 Block Grant funding for neighborhood improvement projects proposed by citizens and neighborhood groups. Project Coordinator for the Agency is Jason Fowler.

This contract is to assist the Agency with Facade Improvements to businesses on Woodward Avenue between Seven Mile and Nevada Street. Contract provides funding for the management, administration and construction of certain infrastructure improvements, including painting, new signs, stucco work, new fencing and lighting.

Budgeted contract costs include: Facade Grant cost reimbursement for \$37,000; Professional consultant for \$7,500; Advertisement for \$500; Project administration for \$5,000;

Contract checklist, dated April 4, 2014, indicates contract is essential to provided funding to the Community Project as awarded.

Covenant of Equal Opportunity Affidavit signed 2-11-13;

TAXES: Good Through 7-14-15 and 12-30-14;

Hiring Policy Compliance Affidavit signed 4-7-14, Employment Application submitted complies;

Slavery Era Records Disclosure Affidavit signed 4-7-14, indicating Agency established 1997, no records to disclose.

Planning and Development Department - *continued*

2893845 100% Federal Funding – To Provide Emergency Shelter and Homeless Prevention – Contractor: Cass Community Social Services – ES & HP, Location: 11850 Woodrow Wilson, Detroit, MI 48206 – Contract Period: October 1, 2013 through December 31, 2015 – Contract Amount: \$200,000.00

Costs budgeted to Discretionary Grant Fund, Acct. 2002-361508-0-6179900/628500-13340-0-A3120, Appropriation for Emergency Solutions Grant includes available funding of \$7,770,371 as of August 28, 2014.

Funding is from the 2012-2013 and 2013-2014 Emergency Solutions Grant funding for nonprofit organizations that provide outreach, emergency shelter, homeless prevention, rapid re-housing, transitional housing, and/or essential services for benefit of homeless individuals.

Project Coordinator for the Agency is Terra Linzer.

This contract is to assist the Agency to provide emergency shelter and homeless prevention through operation of a permanent supportive housing at 11850 Woodrow Wilson and 3901 Cass.

Contractor anticipates providing services to more than 250 persons annually, which includes more than 36,500 nights of shelter.

Agency provides a Warming Center, 2 Emergency Shelters and Rehabilitation services.

This contract appears to provide \$100,000 through an Emergency Shelter Grant, budgeted to include: Food for \$4,000; Maintenance supplies for \$8,000; Security personnel for \$75,000; Utilities for \$10,000; and Laundry supplies for \$3,000; and

\$100,000 is included through an Emergency Solutions Grant, budgeted to include: Rent assistance for \$30,000; Assistance with security deposits for \$30,000; Utility assistance for \$10,000; Personnel to assist with housing search and case management for \$30,000.

Contract checklist, dated May 5, 2014, indicates contract is essential to provide the funding to organizations that provide services for homeless individuals as authorized through the Emergency Solutions Grant.

Covenant of Equal Opportunity Affidavit signed 4-2-14;

TAXES: Good Through 4-9-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 4-2-14, Employment Application appears to comply, however, MI Dept. of Social Services, US Dept. of HUD, require pre-employment criminal sexual background checks due to the nature of employee services working with individuals with disabilities and special needs, working with youth, and staff may be in homes of clients;

Slavery Era Records Disclosure Affidavit signed 4-2-14, indicating no records to disclose.

Planning and Development Department - *continued*

2893872 100% Federal Funding – To Provide Direct Legal Assistance, Legal Information Workshops, Seminars and In-Service Training, Contractor: Legal Aid & Defender Association, Inc., Location: 613 Abbott Street, Detroit, MI 48226 – Contract Period: January 1, 2014 through December 31, 2015 – Contract Amount: \$200,000.00

Funding for this contract appears to be \$100,00.00 rather than the \$200,000 indicated.

Costs budgeted to Discretionary Grant Fund, Acct. 2002-361508-0-651118-13340-0-A3120, Appropriation for Emergency Solutions Grant includes available funding of \$7,770,371 as of August 28, 2014.

Funding is from the 2012-2013 Emergency Solutions Grant funding for nonprofit organizations that provide outreach, emergency shelter, homeless prevention, rapid re-housing, transitional housing, and/or essential services for benefit of homeless individuals.

Project Coordinator for the Agency is Joan Glanton Howard.

This contract is to assist the Agency to provide direct legal assistance, legal information workshops, Seminars and in-service training of community agency staff.

Legal representation provided in matters of Housing, Income maintenance, Expungement of criminal records, Domestic relations, and other matters that affect client's ability to obtain and keep stable housing; 84 clients provided advice, representation provided to 36 clients.

6 Workshops and seminars provided in variety of areas for an estimated 50 attendees;

4 In-Service Community trainings provided to a Community Agency.

Services estimated will be provided to a minimum of 180 persons.

Budgeted costs for \$100,000 include: Personnel costs of \$90,287; Utilities for \$1000; Telephone for \$1,000; Office supplies for \$1,000; Liability Insurance for \$1,500; Computer Legal research for \$1,500; Administration fee for \$3,713.

The contract indicates there are matching funding of \$200,000 from the Michigan State Bar Foundation.

Contract checklist, dated July 29, 2014, indicates contract is essential to provide the funding to organizations that provide services for homeless individuals as authorized through the Emergency Solutions Grant.

Covenant of Equal Opportunity Affidavit signed 2-19-14;

TAXES: Good Through 1-10-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 2-19-14, Employment Application submitted does ask applicants about felony convictions, individuals cannot practice law if charged with a felony; affirmative answer does not preclude interviews with non-attorney applicants.

Slavery Era Records Disclosure Affidavit signed 2-19-14, indicating Agency established 1909, no records to disclose.

Planning and Development Department - *continued*

2894808 100% Federal Funding – To Provide Emergency Shelter Rehabilitation – Contractor: Cass Community Social Services – Rehabilitation, Location: 11850 Woodrow Wilson, Detroit, MI 48206 – Contract Period: January 1, 2014 through December 31, 2015 – Contract Amount: \$80,000.00

Costs budgeted to Discretionary Grant Fund, Acct. 2002-361508-0-651159-13340-0-A3120, Appropriation for Emergency Solutions Grant includes available funding of \$7,770,371 as of August 28, 2014.

Funding is from the 2013-2014 Emergency Solutions Grant funding for nonprofit organizations that provide outreach, emergency shelter, homeless prevention, rapid re-housing, transitional housing, and/or essential services for benefit of homeless individuals.

Project Coordinator for the Agency is Karen Plants.

Contract to provide assistance to the Agency for rehabilitation of the Emergency Shelter at 11850 Woodrow Wilson. Renovation to include: Restrooms, Shower room, Replace 2 drinking fountains; Installation of new back-up 100 kilowatt generator; New roof.

Total contract cost of \$80,000 is indicated to be budgeted to Construction; Agency also to provide \$80,000 in matching funds for a total construction budget of \$160,000.

Contract checklist, dated May 5, 2014, indicates contract is essential to provide the funding to organizations that provide services for homeless individuals as authorized through the Emergency Solutions Grant.

Covenant of Equal Opportunity Affidavit signed 4-2-14;

TAXES: Good Through 4-9-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 4-2-14, Employment Application appears to comply, however, MI Dept. of Social Services, US Dept. of HUD, require pre-employment criminal sexual background checks due to the nature of employee services working with individuals with disabilities and special needs, working with youth, and staff may be in homes of clients;

Slavery Era Records Disclosure Affidavit signed 4-2-14, indicating no records to disclose.

Planning and Development Department - *continued*

2895436 100% Federal Funding – To Provide Emergency Shelter Services for Youth – Contractor: Matrix Human Services, Location: 120 Parsons, Detroit, MI 48201 – Contract Period: January 1, 2014 through December 31, 2015 – Contract Amount: \$105,032.10

Costs budgeted to 2 accounts in Discretionary Grant Fund as follows:

\$100,000 from Acct. 2002-361508-0-628500-13340-0-A3120, Appropriation for Emergency Solutions Grant includes available funding of \$7,770,371 as of August 28, 2014; and \$5,032.10 from Acct. 2002-366145-0-651147-11815-0-A3120, Appropriation for Emergency Shelter Grant includes available funding of \$877,003 as of August 28, 2014.

Funding is from the 2013-2014 Emergency Solutions Grant funding for nonprofit organizations that provide outreach, emergency shelter, homeless prevention, rapid re-housing, transitional housing, and/or essential services for benefit of homeless individuals.

Project Coordinator for the Agency is Celia Thomas.

This contract is to assist the Agency to provide Emergency Shelter services for Youth through their Off the Streets program. Shelter and support services anticipated to be provided to an average of 10 homeless youth monthly, serving 100 males and females annually.

In addition to shelter, the agency to provide Needs assessment to individuals, meals, Case management, counseling and referrals; assistance with enrolling in school or alternative education, goal/career identification and planning; advocacy to secure necessary health services.

Budgeted contract costs include: Personnel costs of \$42,798.92; Communication costs of \$3,829; Household supplies for \$2,200; Building maintenance costs of \$16,016.92; Laundry supplies for \$1,179.30; Van maintenance and gas for \$6,850; Laptop computer costs of \$1,000; Mileage for \$2,650; Administrative operating staff for \$4,484.86; Carry-over from previous contract of \$5,032.10 for Shelter Building maintenance and repair costs.

Contract checklist, dated June 5, 2014, indicates contract is essential to provide the funding to organizations that provide services for homeless individuals as authorized through the Emergency Solutions Grant.

Covenant of Equal Opportunity Affidavit signed 5-29-14;

TAXES: Good Through 4-23-15 and 12-30-14;

Hiring Policy Compliance Affidavit signed 10-1-12, Employment Application DOES include a question on any criminal convictions, Agency states the question is required due to staff involvement with youth, pre-school children and senior citizens.

Slavery Era Records Disclosure Affidavit signed 4-2-14, indicating Agency established 1906, no records to disclose.

PUBLIC LIGHTING

2897283 100% City Funding – To Provide the Sell of Emissions of Nitrous Oxide (“NO_x”) and Sulfur Dioxide (SO₂), Considered as Allowances, Accumulated by the Mistersky Power Plant. The Federal Environmental Protection Agency (EPA) Provides Operating Power Plants an Annual Allowance to be Traded in a Marketplace Developed to Buy and Sell Under the Federal Clean Air Interstate Rule (CAIR) – Contractor: Evolution Markets, Location: 10 Bank St., Suite 410, White Plains, NY 10606 – Contract Amount: \$5,627.76

This is a One Time Purchase – Estimated Revenue Value: \$191,087.75

Account for where the expenditures are budgeted and the revenue is to be deposited is not specified in the Purchasing File

According to Purchasing, this contract is "time sensitive" to sell the Emissions when they have the most value in the marketplace.

The City of Detroit, through the Public Lighting Dept. owns the Mistersky Power Station, located on the Detroit River. The Station had, at one time, capacity to generate 60,000 kilowatts of energy. The Mistersky plant was closed down in 2010 when the City agreed to buy 100% of its power requirements from DTE Energy.

The Federal Environmental Protection Agency (EPA) provides operating power plants an annual allowance for emissions of nitrous oxide and sulfur dioxide. These allowances are a registered commodity with the EPA and can be bought and sold, in a manner similar to stocks and bonds. Evolution Markets is a brokerage firm that assists with the buying and selling transactions.

Although Mistersky has not operated since 2010, their emissions allowances have continued to accumulate through 2014, because Mistersky continued to renew its operating permit.

Mistersky currently has emissions allowance for 22,016 tons in Nitrous Oxide and Sulfur Dioxide, for an estimated value of \$196,715.51. The estimated brokerage fee is \$5,428.76, based on a rate for Nitrous Oxide at \$1/ton; and Sulfur Dioxide at .10¢ per ton.

2 Brokerage Firms were solicited to determine reasonable fees and expenses. In addition to Evolution Markets, the 2nd brokerage firm was Amerexer Energy that quoted a fixed price of \$8,132; and estimated the market value of the emissions, after the brokerage fee at \$143,034.80.

Purchasing anticipates the completion of the sale process to require approximately 4 weeks.

In addition to the approval of this Purchase Order with the Brokerage firm; Purchasing will also request the approval of the City Council, EM, State Treasurer and Governor for the sale of the Surplus Emissions Allowances, since these are considered an asset of the City with a value in excess of \$50,000.

Clearances and Affidavits are not required for a Revenue contract.

PUBLIC WORKS

2891788 100% Street Funding – To Provide Aggregate Slag Material for Alley Repair – Contractor: Edward C. Levy, Location: 8800 Dix Road, Detroit, MI 48209 – Contract Period: September 1, 2014 through August 31, 2016 – Contract Amount: \$337,200.00/2 yrs

Costs budgeted to Major Street Fund, Acct. 3301-193822-0-621900-06424-0-A4570, Appropriation for Major Street-Operations includes available funding of \$62,029,406 as of August 28, 2014..

5 Bids solicited, 1 Bid received on Open Market for an estimated requirement of 12,000 tons per year, for a term of 2 years

The Sole Bid received from Edward C. Levy at \$14.05 per ton was determined to be acceptable by the Department. The purchase includes a variety of slag material, including both coarse and fine.

Contract checklist, dated August 1, 2014, indicates this contract is essential for repairs to alley pavement.

Covenant of Equal Opportunity Affidavit *to be provided*;

TAXES: Good Through 2-3-15 and 1-15-15;

Hiring Policy Compliance Affidavit signed 7-18-14, Employment Application does include a question of applicant has any felony convictions, Company states that an affirmative answer does not necessarily prevent applicant from consideration for employment;

Slavery Era Records Disclosure Affidavit signed 7-15-14, indicating business established 1918, no records to disclose.

This vendor was the previous contract for this commodity, under Contract 2831542, initially approved in November 2010, for 1 year, through Oct. 31, 2011, for \$200,000; and renewed for 1 year, through October 2012, no additional funding was required. Prices under this previous contract ranged from \$11.45 per ton to \$12.65 per ton.